

Message Text

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TO AMEMBASSY NEW DELHI

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SUBJECT: FRASER SUBCOMMITTEE HEARINGS ON INDIA, DUBS
STATEMENT

1. FOLLOWING IS TEXT OF STATEMENT BY NEA DEPUTY ASSISTANT
SECRETARY DUBS BEFORE FRASER SUBCOMMITTEE SEPTEMBER 23.

2. QUOTE. IT IS OUR UNDERSTANDING THAT THE COMMITTEE IS
INTERESTED IN A DISCUSSION OF U.S. ECONOMIC ASSISTANCE,
BOTH MULTILATERAL AND BILATERAL, TO INDIA AND A REVIEW OF
DEVELOPMENTS THERE OVER THE PAST YEAR. MY COLLEAGUE,
ARTHUR GARDINER, FROM AID IS PREPARED TO SPEAK DIRECTLY
ON THE SUBJECT OF ECONOMIC ASSISTANCE. WITH YOUR PERMIS-
SION, MR. CHAIRMAN, I WOULD LIKE TO PROVIDE A BACKGROUND
TO HIS REMARKS BY SKETCHING OUT THE MAIN INDIAN INTERNAL
TRENDS SINCE THE PROCLAMATION OF THE EMERGENCY ON JUNE 26,
1975 AND BY SAYING A FEW WORDS ABOUT THE STATE OF INDO-
U.S. RELATIONS.

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3. INDIA IS THE WORLD'S SECOND MOST POPULOUS COUNTRY, A NATION WITH OVER 600 MILLION PEOPLE WHICH, IN ITS 29 YEARS OF INDEPENDENCE, HAS BEEN TRYING TO COPE WITH MASSIVE DEVELOPMENTAL PROBLEMS. THE HIGH RATE OF ILLITERACY,

CURRENTLY ESTIMATED AT 70 PER CENT, THE APPROXIMATE \$120 PER CAPITA ANNUAL INCOME, AND THE COUNTRY'S 14 OFFICIAL LANGUAGES AND REGIONAL DIVERSITY POINT UP THE MAGNITUDE OF THE PROBLEMS AND THE COMPLEXITY OF DEALING WITH THESE IN A COUNTRY WHOSE POPULATION EXCEEDS THAT OF LATIN AMERICA AND AFRICA COMBINED.

4. IN THE SOUTH ASIAN REGION, OUR PRIMARY CONCERNS HAVE BEEN THE PROMOTION OF REGIONAL STABILITY AND THE NORMALIZATION OF RELATIONS BETWEEN THE NATIONS OF THE SUBCONTINENT AND THE AVOIDANCE OF INTERFERENCE BY OUTSIDE POWERS. WE HOPE THAT THE GOVERNMENTS OF THE REGION CAN FOCUS THEIR MAIN ATTENTION ON THEIR MASSIVE HUMAN AND SOCIAL DEVELOPMENT PROBLEMS. IN KEEPING WITH AMERICAN CONCERNS FOR THE DEVELOPING WORLD, WE HOLD A LONG-STANDING INTEREST IN THE ECONOMIC PROGRESS OF THE COUNTRIES OF SOUTH ASIA AND OVER THE YEARS HAVE PROVIDED SUBSTANTIAL ECONOMIC ASSISTANCE TO INDIA. WE HAVE NO SECURITY ASSISTANCE WITH INDIA EXCEPT FOR A SMALL MAP TRAINING PROGRAM UNDER WHICH 6 OFFICERS ATTENDED U.S. SERVICE SCHOOLS IN FY 75 AND 17 IN FY 76.

5. INDIA HAS BEEN DOMINATED SINCE INDEPENDENCE BY THE CONGRESS PARTY. IN JUNE 1975, THE PRESIDENT OF INDIA, ACTING ON THE ADVICE OF THE PRIME MINISTER, INVOKED ARTICLE 352 OF THE INDIAN CONSTITUTION TO DECLARE A NATIONAL EMERGENCY ON THE GROUNDS THAT THE SECURITY OF INDIA WAS THREATENED BY INTERNAL DISTURBANCE. THE PROCLAMATION GAVE THE CENTRAL GOVERNMENT BROAD POWERS TO TAKE EXECUTIVE ACTION AND OTHER EMERGENCY MEASURES THAT RESTRICT THE FUNDAMENTAL RIGHTS PROVIDED UNDER ARTICLE 19 OF THE INDIAN CONSTITUTION. IN JUSTIFYING THE EMERGENCY, THE INDIAN GOVERNMENT STATED THAT ELEMENTS OF THE POLITICAL OPPOSITION WERE CREATING A SITUATION THAT THREATENED THE SECURITY OF THE STATE. IN PARTICULAR, THE GOVERNMENT CITED THE CALL BY OPPOSITION LEADER J. P. NARAYAN FOR THE UNCLASSIFIED

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POLICE AND THE MILITARY TO DISOBEY ORDERS AS WELL AS THE EFFORT FOR A NATIONWIDE STRIKE AND OTHER MEASURES DESIGNED TO PARALYZE THE FUNCTIONING OF THE ADMINISTRATION.

6. THE GOVERNMENT, USING EMERGENCY POWERS, ARRESTED A SUBSTANTIAL NUMBER OF POLITICAL OPPONENTS. THE INDIAN HOME MINISTER HAS SUGGESTED PUBLICLY THAT ABOUT 12-14,000 SUCH PERSONS MAY CURRENTLY BE DETAINED. IT IS OUR UNDER-

STANDING THAT AMONG THOSE CURRENTLY DETAINED ARE 30 MEMBERS OF THE INDIAN PARLIAMENT. IN ACCORDANCE WITH THE MAINTENANCE OF INTERNAL SECURITY ACT (MISA), WHICH HAS JUST BEEN EXTENDED BY PARLIAMENT TO JUNE 1977, INDIVIDUALS DETAINED UNDER THE EMERGENCY DO NOT HAVE RECOURSE TO THE JUDICIARY AND THE GOVERNMENT NEED NOT FILE SPECIFIC CHARGES. INDIA ALSO IMPOSED PRESS CENSORSHIP AND POSTPONED NATIONAL ELECTIONS WHICH WOULD NORMALLY HAVE BEEN HELD BY MARCH 1976. BOTH OF THESE MEASURES WERE LATER APPROVED BY PARLIAMENT. IN THE CASE OF THE PRESS, PARLIAMENT HAS ENACTED LEGISLATION WHICH PROVIDES FOR CERTAIN CURBS TO CONTINUE AFTER THE EMERGENCY IS LIFTED. HOWEVER, PRESS CURBS ON FOREIGN NEWSMEN WERE RECENTLY REMOVED.

7. THE GOVERNMENT HAS STATED ON A NUMBER OF OCCASIONS THAT THE EMERGENCY IS A TEMPORARY MEASURE, BUT HAS NOT SO FAR INDICATED WHEN IT WILL BE LIFTED. SOME POLITICAL PRISONERS, INCLUDING OPPOSITION LEADER J.P. NARAYAN, HAVE BEEN RELEASED FROM JAIL, BUT MANY REMAIN UNDER DETENTION. THE MAJOR OPPOSITION PARTIES HAVE CONTINUED TO FUNCTION ALTHOUGH A NUMBER OF SMALLER GROUPS, WHICH THE GOVERNMENT BRANDED AS COMMUNAL, TERRORIST, OR ANTI-NATIONAL, WERE BANNED LAST YEAR.

8. ECONOMICALLY, THE SITUATION IN INDIA HAS IMPROVED IN THE PAST YEAR-AND-A-HALF AFTER AN EXTENDED PERIOD OF STAGNATION. THE GOVERNMENT ANNOUNCED A 20-POINT PROGRAM WHICH INCLUDED A VARIETY OF MEASURES SUCH AS ABOLITION OF BONDED LABOR AND IMPLEMENTATION OF LAND REFORM. THE GOVERNMENT IN 1976 ALSO ANNOUNCED A NATIONAL POPULATION PROGRAM SIGNALLING A FAR MORE SERIOUS INTENT TO COME TO GRIPS WITH WHAT OBSERVERS HAVE LONG FELT IS INDIA'S MAJOR UNCLASSIFIED

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ECONOMIC PROBLEM--THE NEED TO CONTROL ITS BURGEONING POPULATION.

9. FOLLOWING AN EXCELLENT SUMMER AND WINTER HARVEST, FOOD PRODUCTION IN 1975/76 HAS REACHED AN ALL-TIME RECORD OF AN ESTIMATED 115-117 MILLION TONS. INDUSTRIAL PRODUCTION, AFTER A PERIOD OF POOR PERFORMANCE, HAS ALSO INCREASED. ESPECIALLY NOTEWORTHY HAS BEEN A DRASTIC REDUCTION IN THE RATE OF INFLATION WHICH WAS RUNNING AT CLOSE TO 30 PER CENT AND DURING THE PAST YEAR WAS DOWN TO ZERO.

10. AN EXCELLENT MONSOON EXPLAINS MUCH OF THE IMPROVEMENT. SINCE AGRICULTURE REPRESENTS 45 PER CENT OF INDIA'S GNP, THE RAINS CONTINUE TO HAVE A MAJOR IMPACT ON OVERALL INDIAN ECONOMIC PERFORMANCE.

11. IN INDIA'S EXTERNAL RELATIONS, THERE HAVE BEEN SIGNS OF A STRENGTHENED TREND TOWARD REGIONAL STABILITY AND INDICATIONS OF INTEREST IN MORE BALANCED RELATIONS THAN PREVIOUSLY WAS THE CASE WITH MAJOR EXTERNAL POWERS. IN SOUTH ASIA, INDIA AND PAKISTAN HAVE MADE SIGNIFICANT PROGRESS TOWARDS NORMALIZATION OF RELATIONS. DIPLOMATIC RELATIONS WERE RESUMED IN JULY 1976 FOR THE FIRST TIME

SINCE 1971, AND RAIL AND AIR LINKS WERE RESTORED AT THE SAME TIME AFTER A RUPTURE OF 11 YEARS. RELATIONS BETWEEN INDIA AND BANGLADESH HAVE RECENTLY BEEN LESS SATISFACTORY AND THE BANGLADESHIS HAVE TAKEN THE DISPUTE OVER THE FARAKKA BARRAGE TO THE UNITED NATIONS. HOWEVER, HERE, TOO, THE SITUATION IS NOT WITHOUT HOPE. BOTH COUNTRIES HAVE AFFIRMED THEIR DESIRE FOR A PEACEFUL AND MUTUALLY SATISFACTORY RESOLUTION OF OUTSTANDING PROBLEMS.

12. INDIA HAS SIGNALLED AN INTEREST IN REDUCED TENSIONS WITH THE PEOPLES' REPUBLIC OF CHINA BY SENDING AN AMBASSADOR TO PEKING FOR THE FIRST TIME SINCE THE 1962 BORDER WAR. CHINA HAS RECIPROCATED AND THE NEW CHINESE ENVOY ARRIVED IN DELHI JUST A FEW DAYS AGO.

13. OUR OWN RELATIONS WITH INDIA HAVE BEEN RELATIVELY STABLE IN RECENT MONTHS, WITH FEWER UPS AND DOWNS THAN UNCLASSIFIED

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A YEAR OR SO AGO. THERE HAVE BEEN RECENT SIGNS OF INDIAN INTEREST IN FURTHER IMPROVEMENTS. THE SEPTEMBER 20 NEW YORK TIMES INTERVIEW BY THE INDIAN AMBASSADOR-DESIGNATE KEWAL SINGH REFLECTS THIS UPBEAT MOOD. OUR OWN ATTITUDE TOWARD INDIA REMAINS BASICALLY UNCHANGED. AS WE HAVE STATED ON MANY OCCASIONS:

--WE REGARD INDIA AS AN IMPORTANT COUNTRY WHOSE STABILITY AND VIABILITY WILL HAVE A MAJOR IMPACT ON THE PEACE AND STABILITY OF ASIA.

--WE BELIEVE THAT STABLE AND PRODUCTIVE RELATIONS BETWEEN OUR TWO COUNTRIES, ON THE BASIS OF MUTUAL RESPECT AND RECIPROCITY, SERVE OUR NATIONAL INTEREST.

--WE RECOGNIZE THAT GIVEN OUR DIFFERING GEOGRAPHIC POSITIONS AND HISTORICAL EXPERIENCES, WORKING OUT A "MATURE RELATIONSHIP" WILL TAKE TIME, BUT THIS REMAINS A GOAL WORTH PURSUING.

14. WITH REGARD TO THE HUMAN RIGHTS SITUATION IN INDIA, THE PRESIDENT AND THE SECRETARY OF STATE HAVE MADE CLEAR

OUR PREFERENCE FOR DEMOCRATIC NORMS IN INDIA AS ELSEWHERE. THIS ADMINISTRATION IS ALSO ON THE RECORD IN MAKING CLEAR THAT THE PROMOTION, RESPECT AND OBSERVANCE OF BASIC HUMAN RIGHTS IN ALL COUNTRIES IS AN IMPORTANT FOREIGN POLICY OBJECTIVE OF THE UNITED STATES. WE DO NOT CONDONE REPRESSIVE MEASURES TAKEN BY OTHER GOVERNMENTS AGAINST THEIR CITIZENS OR OTHERS. WE HAVE REMAINED CIRCUMSPECT IN OFFICIAL COMMENT ON SPECIFIC FACETS OF THE SITUATION IN INDIA. IN REALISTIC TERMS WE HAVE LIMITED INFLUENCE WITH INDIA. SINCE A PRINCIPAL COMPLAINT ON OUR PART ABOUT THE INDIAN CONDUCT TOWARD THE U.S. HAS BEEN THE TENDENCY, ALTHOUGH NOT RECENTLY, OF THE INDIAN GOVERNMENT TO ADDRESS PROBLEMS THROUGH PUBLIC POLEMIC, IT WOULD SEEM INAPPROPRIATE FOR US TO PURSUE THE VERY COURSE WHICH WE HAVE ASKED THE INDIANS NOT TO FOLLOW.

15. I KNOW YOU WILL HAVE SPECIFIC QUESTIONS ON THE SITUATION IN INDIA AND I WILL BE HAPPY TO ANSWER THESE AS FULLY AND FRANKLY AS I CAN. END QUOTE. KISSINGER
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